



State of California
Request for Qualifications
Affordable Housing Development
For Excess Sites
Under Executive Order N-06-19



Location:
San Francisco, CA Department of Motor Vehicles
(1377 Fell Street, San Francisco, CA 94117)

Released: **September 28, 2023**
Due: 5:00 pm PT on **November 22, 2023**

EO N-06-19 RFQ No. 2-23

TABLE OF CONTENTS

INTRODUCTION	3
STATE CONTACT	3
PROGRAM WEBSITE	3
SITE LOCATION AND DESCRIPTION	3
DISCLAIMER	4
RFQ SCHEDULE, SUBMISSION INSTRUCTIONS AND RELATED INFORMATION	4
EXPECTED NEXT STEPS.....	7
GROUND LEASE AGREEMENT(S) AND RELATED INFORMATION	7
ROLES AND RESPONSIBILITIES OF THE SELECTED RESPONDENT(S)	8
DEVELOPMENT INTENTIONS	9
PROGRAM PRINCIPLES AND OBJECTIVES	12
THE IDEAL RESPONSE TO THIS RFQ.....	13
EVALUATION CRITERIA AND SUBMISSION REQUIREMENTS.....	14
EXHIBIT LIST	22
EXHIBIT 1 - EO N-06-19	23
EXHIBIT 2 – GOVERNMENT CODE	24
EXHIBIT 3 – SITE INFORMATION AND MAPS	25
EXHIBIT 4 – STATE SOVEREIGNTY AND ENTITLEMENTS	27
UNDER E.O. N-06-19.....	27
EXHIBIT 5 – FREQUENTLY ASKED QUESTIONS	31
EXHIBIT 6 – ADDITIONAL RELEVANT DOCUMENTS AND RESOURCES	35
EXHIBIT 7 – DEFINITIONS	36
EXHIBIT 8 – RFQ SCORING CRITERIA	37
EXHIBIT 9 – DEVELOPMENT DATA COLLECTION TEMPLATE	43
EXHIBIT 10 – LOCAL HOUSING & PLANNING DOCUMENTS AND RESOURCES.....	44
EXHIBIT 11 – ATTESTATION	45
EXHIBIT 12 – DMV PERFORMANCE CRITERIA.....	47

INTRODUCTION

Executive Order N-06-19 (the “EO”) (see Exhibit 1) was signed by Governor Gavin Newsom on January 15, 2019, to address the housing affordability crisis in the State of California. Governor Newsom ordered the Department of General Services (DGS) and the Department of Housing and Community Development (HCD) to identify and prioritize excess State-owned property, enter into low-cost long-term ground lease agreement(s) (the “GLA”) with housing developers, and accelerate affordable housing development on State-owned land for public benefit.

Accordingly, DGS, HCD, and DMV (collectively or individually, the “State”) is pleased to issue this Request for Qualifications (“RFQ”) for Respondent Teams capable of delivering just that sort of project.

This RFQ is a multi-agency effort to address housing affordability throughout California. The State is coordinating with the locality as it deems needed in its selection of a development team and creation of a development program.

STATE CONTACT

Barbara Field

Department of General Services, Asset Management Branch
707 3rd Street, 5th Floor
West Sacramento, CA 95605
affordablehousing@dgs.ca.gov

PROGRAM WEBSITE

Page: [Executive Order N-06-19 Affordable Housing](#)

URL: <https://www.dgs.ca.gov/RES/Projects/Page-Content/Projects-List-Folder/Executive-Order-N-06-19-Affordable-Housing-Development>

SITE LOCATION AND DESCRIPTION

The location and description of the State-owned property included in this RFQ can be found in Exhibit 3.

DISCLAIMER

The State obtained the information contained in this RFQ from sources deemed reliable; however, the State makes no guarantees, warranties, or representations, nor expresses or implies any opinion concerning the accuracy or completeness of the information provided. It is furnished solely as an aid to interested parties. Interested parties are responsible for undertaking all necessary investigation on and off the State property to determine the suitability of the State property for interested party's intended use.

Regarding the information submitted to the State by the Respondent Team, please note: The California Public Records Act (California Government Code Sections 6250 et seq.) mandates public access to government records. The State presumes documents prepared, owned, used, or retained by a state agency are public records and therefore accessible by the public. Any attempt to withhold or exempt Statement of Qualifications ("SOQ"), including subsequently submitted documentation, from disclosure shall be the sole responsibility of the Respondent Team.

RFQ SCHEDULE, SUBMISSION INSTRUCTIONS AND RELATED INFORMATION

RFQ Schedule

The following timeline is provided for scheduling information but is subject to change at the discretion of the State. All times are Pacific Daylight Time or Pacific Standard Time as is applicable on that day.

Activity	Date
RFQ Released	September 28, 2023
Mandatory Virtual Pre-Submittal Meeting	October 17, 2023 at 11:30AM Pacific Time
Questions and Requests for Clarifications Due	October 18, 2023 at 5:00PM Pacific Time
State Response to RFQ Questions/Clarifications	November 3, 2023
Statement of Qualifications Submittal Deadline	November 22, 2023 at 5:00PM Pacific Time
Respondent Interviews (approximate)	February, 2024
Award Site (approximate)	March, 2024

Submission Instructions

The Respondent Team shall be under the direction of a developer entity with experience developing affordable housing in California (hereafter, the “Lead Respondent”). Other members of the Respondent Team may include other entities, such as architect(s), transportation and land use planner(s), community engagement consultant(s), environmental consultant(s), social service provider(s), and legal counsel. Respondent Teams are advised to carefully review the scoring criteria in this RFQ to determine the necessary team members/disciplines (see Exhibit 8).

- **Disclaimer:** for those entities that are subject to scoring, while the state recognizes that changes to the Respondent Team may be necessary post award, as those entities were part of the selection process, substitutions or eliminations of members will be subject to State review. **In the event of a proposed substitution or elimination of a scored entity**, the State may require written justification from the Lead Respondent justifying the change. Failure to comply could result in revoking the award of the State-owned property.

The Lead Respondent shall be responsible for submitting the response on behalf of the Respondent Team in the form of a Statement of Qualifications (“SOQ”) specifically as follows:

- 1) Upload SOQ, with Lead Respondents name and DMV-SF in .pdf title, into the [DMV SF Responses to RFQ](#). All files must be submitted as .pdf except for the financial model which must be submitted as an Excel file.
- 2) Send an email to affordablehousing@dgs.ca.gov with the subject line: DMV-SF– –and include the name of the Lead Respondent, stating that your Statement of Qualifications has been uploaded to the DGS SharePoint.

Statement of Qualifications Submittal Deadline

The State must receive SOQs no later than the deadline listed in the RFQ Schedule.

It is the Lead Respondent’s sole responsibility to ensure that the SOQ is received by the State before the deadline in the RFQ Schedule and that the information provided in the SOQ is complete. Omission of information may be deemed non-responsive and may subject the Respondent Team to disqualification.

Adherence to the RFQ submission deadline will be based on the time the State receives each submission email from the respective Lead Respondent.

- **Note:** the State reserves the right to request financial statements at a later date to determine general financial capacity. These statements may include but are not limited balance sheets, income statements, statements of cash flows, and/or tax returns. Failure to provide the requested statements may subject the Respondent Team to disqualification.

SOQs must be responsive to the “Evaluation Criteria and Submission Requirements” section listed below. The page limit for the SOQ without exhibits is 40 pages; there is no page limit for exhibits.

Mandatory Virtual Pre-Submittal Meeting

A **mandatory** virtual pre-submittal meeting has been scheduled for the date and time listed above. The State will deliver a brief presentation regarding the State-owned property and then questions will be answered via the chat function of the meeting. Questions and answers delivered during the meeting will be included in the Q&A Document, which is further described below. Attendees may consent to sharing their contact information with other attendees for the purposes of identifying development partners. Failure to attend the mandatory virtual pre-submittal meeting will disqualify Respondents. The State will determine, in the State’s sole discretion, whether to further review or evaluate SOQs from Respondents who are disqualified.

Register in advance for this webinar: [Webinar Registration - Zoom](#)

URL: https://hcd-ca-gov.zoom.us/webinar/register/WN_Sg-1eeZORF699la4VXCcyg#/registration

After registering, attendees will receive a confirmation email containing information about joining the webinar.

RFQ Questions and Requests for Clarification – Q&A Document

All questions and/or requests for clarification must be sent with the subject line “DMV-SF– Question” to the affordablehousing@dgs.ca.gov by the deadline listed in the RFQ Schedule. The State will respond to questions and/or requests for clarification by posting the Q&A Document to the program website by the date and time listed in the RFQ Schedule.

- **Note:** any inquiries or questions posed or answered outside of this Q&A process shall not be considered reliable for the purposes of this RFQ.

Please see the Frequently Asked Questions in Exhibit 5 prior to question submission.

Respondent Team Interviews

The State expects to evaluate SOQs and then, provided that a) one or more SOQs are sufficient, and b) the State wishes to move forward with the State-owned property, the State will invite Respondent Team(s) to an interview. The State reserves the option of

interviewing zero, one, all or any number of Respondent Teams prior to making a selection. The State reserves the right to invite additional Lead Respondent(s) to form a Respondent Team to respond to the RFQ. The State will notify the Lead Respondent(s) to request an interview, if applicable, subsequent to receiving and reviewing the SOQs. The State reserves the option of in-person or virtual meetings.

Due Diligence

The State reserves the option to request additional documentation and/or written responses to confirm statements/commitments made during the interview, follow-up questions and/or discussions, supplemental interviews, or to make other fact-finding efforts as the State determines is necessary to assess the most qualified Respondent Team.

EXPECTED NEXT STEPS

At the conclusion of the RFQ process, the State contemplates selecting zero, one, all, or any number of Respondent Teams whose qualifications the State deems best suited to achieve the Principles and Objectives described in this RFQ to enter into an Exclusive Negotiating Agreement (ENA) or Lease Option Agreement (LOA) with the applicable Lead Respondent (“Selected Respondent”). ENA, LOA, and GLA templates are included in Exhibit 6.

Subsequently and ultimately, the State expects the execution of one or more GLAs as is further described in the next section.

- **Note:** the State further expects that the Selected Respondent(s) will at all times be responsive to the State’s requests and to the obligations as prescribed in this document, ENA or LOA and GLA. The State reserves the option at all times of rescinding a selection in its sole and absolute discretion.

GROUND LEASE AGREEMENT(S) AND RELATED INFORMATION

For housing projects, the State typically expects to enter into one or more low-cost, long-term (e.g., \$1 annually, 99-year term) GLA(s) with the Selected Respondent(s). However, this specific project may result in a different financial arrangement. Please see Development Intentions for additional details.

Exhibit 6 includes template versions of agreements.

Applicable Government Code

DGS’s leasing authority for affordable housing developments can be found in California Government Code (“GC” or the “Code”) Section 14671.2. Absent alternative leasing authority, any GLA for housing development under the EO must conform to the parameters found within this section of statute (see also Exhibit 2). All GLA(s) must conform with Section 14671.2 as written at the time of the lease(s).

Sub-Leases and Lease Assignments

Sub-leasing the GLA(s) will not be permitted. For the purposes of a phased development or multiple projects at the State-owned property, the State assumes that the Selected Respondent(s) may create wholly independent entities for each phase/project and will structure site control agreements accordingly via assignments.

ROLES AND RESPONSIBILITIES OF THE SELECTED RESPONDENT(S)

- A. The Selected Respondent(s) shall accept the State-owned property in its present state and condition, as-is, without any express or implied warranties;
- B. The Selected Respondent(s) shall enter into a long-term GLA(s) and regulatory agreement(s) (the “RA” or “Regulatory Agreement”) (See templates in Exhibit 6);
- C. The Selected Respondent(s) shall be responsible for obtaining any and all approvals and all necessary building, grading, and construction permits required for the envisioned project from the State, as well as any local jurisdiction or other agencies as may be applicable;
- D. The Selected Respondent(s) shall ensure payment of state prevailing wage as applicable;
- E. The Selected Respondent(s) shall be responsible for assisting DGS with compliance with the California Environmental Quality Act (CEQA), including exploring the applicability of streamlining and exemption provisions, and the preparation of any necessary environmental documents. DGS shall serve as the lead agency under CEQA. The cost of all required environmental review and compliance shall be the responsibility of the Selected Respondent(s). Please note further that a) the State has determined that Senate Bill 35 does not apply to projects on State-owned land, and b) if Selected Respondent(s) seeks any federal subsidy or funding, they shall also be responsible for facilitating compliance with the National Environmental Policy Act, (NEPA);
- F. The Selected Respondent(s) will be responsible for payment of any **applicable** local agency development mitigation fees; the Selected Respondent(s) should pursue fee waivers and deferments and other streamlining opportunities where appropriate;
- G. The Selected Respondent(s) will be responsible for meeting all milestones identified in the ENA(s) and/or LOA(s) and GLA(s);
- H. On an ongoing basis, the Selected Respondent(s) must employ a variety of outreach methods to ensure all segments of the community are included in all stages of the development process. Selected Respondent(s) are encouraged to reach out and involve various local community organizations to gain support for

the envisioned affordable housing project and respond to community and stakeholder concerns where appropriate throughout project construction and property management. Selected Respondent(s) also must conduct affirmative marketing to qualified households least likely to apply for tenancy.

DEVELOPMENT INTENTIONS

As stated elsewhere in this RFQ, this site is being developed under EO N-06-19, which is concerned with the promulgation of housing, specifically affordable housing. As also stated, this State-owned property will be leased under GC 14671.2, which is the primary vehicle for DGS to develop such housing. **Any such development must comport with this statute.**

Beyond the Executive Order and the Government Code, any project at this site must comply with the following priorities.

Overall Excess Sites Program Goals:

The program is designed to leverage State Sovereignty to spur innovative, equitable, sustainable, and cost-effective housing. The State intentionally does not specify populations, affordability levels, minimum numbers of units, etc., which can produce a tension. This is to ensure that each project is appropriate for its site context, regional housing needs, and financial viability.

Department of Motor Vehicle Requirements

Critical note: the requirements related to the Department of Motor Vehicles are not negotiable. While this solicitation provides for innovation and unique paths forward, these requirements must be met and will be enforced.

1. This project is intended as a mixed-use development.
2. The final project must include a new DMV Field Office that is constructed to the exact specifications, requirements, etc. as provided in Exhibit 12. DMV Performance Criteria, unless otherwise approved by both DGS and DMV. Potential respondents are exhorted to carefully review those requirements and their implications for site utilization and cost.
 - a. **Note:** the Performance Criteria would normally serve as the basis for a solicitation for Design-Build teams to compete to be awarded the construction of a new DMV Field Office.
3. It is not expected that this mixed-use project will result in a “free” (fully subsidized) DMV Field Office. However, at no point shall the cost to the DMV for the Field Office exceed what the department would have otherwise paid or financed on their own.
4. Typically for Excess Sites, the development is subject to a long-term, nominal ground lease with all improvements owned, managed, and operated by the developer. For this project, the State is open to arrangements where the DMV will

own the Field Office and related improvements, either at occupancy or through a capitalized lease (a lease with a purchase option is highly unlikely to be accepted). However, the State shall not own, manage, nor operate any of the housing or related improvements.

5. The DMV shall not provide any upfront funding for their Field Office, nor shall the State enter into any construction or service contracts related to its construction. Any financial arrangements between the State and the awarded developer shall be administered through the Ground Lease, unless otherwise approved by DGS.
6. The State recognizes that there are a variety of potential development models for a mixed-use project like this, including housing integrated above the Field Office to increase density and unit counts. However, at no point shall the design of the housing allow any interference with the operations of the DMV Field Office. Tenants must have no unauthorized access to the Field office, and the ideal development will design building systems, access, and redundancy in a way to safeguard DMV operations as they are a vital public service. Moreover, at no point shall residents be permitted to utilize the surface parking spaces required by the DMV for use by the public.
7. The State's goal is for there to be an operational field office by May, 2027.

Surrounding Area Context

The site consists of a single city block bounded by Fell, Broderick, Oak and Baker Streets. It is centrally located between the Lower Haight, NoPa, Buena Vista and Alamo Square neighborhoods and in proximity to a mixture of residential, retail, entertainment, and visitor-serving uses, including the Haight-Ashbury and Divisadero retail districts. Local neighborhood groups include the North of Panhandle Neighborhood Association, Alamo Square Neighborhood Association, and Temescal Terrace Association. Immediately adjacent to the Panhandle, the area is well served by open space and recreation facilities, including a multiuse pathway, a basketball court, playground, and large lawn areas. The north side of the Panhandle is a popular route for bicyclists.

The State-owned property is in close proximity to several amenities named in the TCAC Regulations. In addition to being located in an EPA-designated "Highly Walkable" area, the site is also within a Transit Priority Area, within one-half mile walking distance of an existing Major Transit Stop. Grocery stores, public parks, a community college, and healthcare facilities are all located within one-half mile of the site, while a public library and high school are each within a mile. The site is located in a TCAC "Highest Opportunity" area, a HUD/IRS [Difficult Development Area](#), and a San Francisco "Expanding Housing Choice" study area (see Exhibit 10 (a)).

Community and Stakeholder Engagement

To ensure the envisioned development addresses local and regional housing needs, the State encourages meaningful public and stakeholder engagement within the area surrounding the State-owned property. Understanding the needs of the community and stakeholders requires community engagement strategies that minimize the barriers to

participation. These include considering the activity's location, date and time, proximity to public transit, language access, accessibility, childcare options, and any other accommodations critical to ensuring that interested parties are informed and able to participate in the engagement activity. Active and meaningful engagement ensures that all community members are afforded the opportunity to participate, especially those who have traditionally been excluded from the housing development and urban planning process.

City Planning Framework

Important Note: as state projects are not subject to local requirements in general, this information is provided for general site context. Responses are not required to comply with the following:

The State-owned property is located in City and County of San Francisco Supervisor District 5. While State-owned property is generally not subject to local regulations, respondents may note that the site is in an RM-2 zoning district; the City and County's Residential Design Guidelines are included for reference purposes only in Exhibit 10(e).

HCD certified the City & County of San Francisco's 2022 Housing Element (Housing Element, Exhibit 10 (c)) on February 1, 2023. Covering the planning period from 2023-2031, the Housing Element requires San Francisco to accommodate the addition of over 82,000 housing units by the end of 2030, including 20,000 very low-income units and 12,000 low-income units.

The Housing Element is the City's first housing plan centered on racial and social equity. Its policies and programs express San Francisco's vision for the future of housing, policymaking, housing programs, and the allocation of housing-related resources. The Housing Element includes the following five goals:

- Goal 1. Recognize the right to housing as a foundation for health, and social and economic well-being.
- Goal 2: Repair the harms of racial and ethnic discrimination against American Indian, Black, and other people of color.
- Goal 3. Foster racially and socially inclusive neighborhoods through equitable distribution of investment and growth.
- Goal 4. Provide sufficient housing for existing residents and future generations for a city with diverse cultures, family structures, and abilities.
- Goal 5. Promote neighborhoods that are well-connected, healthy, and rich with community culture.

On February 7, 2023, San Francisco began implementing Executive Directive 23-01 (Housing for All, Exhibit 10(b)). Housing for All is the implementing strategy for the Housing Element. Housing for All consists of three areas of focus: Creating Accountability and Oversight for Implementation of the Housing Element; Requiring Administrative Departmental Actions; and Setting Initial Legislative Actions and Timelines. The

immediate actions in Housing for All lay the groundwork for the City to unlock its housing pipeline, accelerate the approval of new housing projects, and create additional capacity for housing across San Francisco.

PROGRAM PRINCIPLES AND OBJECTIVES

The lack of affordable housing across California is a matter of vital statewide importance and the State is working to expand housing opportunities through a new level of innovation and cooperation between the public and private sectors. While housing affordability is paramount, the State recognizes that this program presents an opportunity to leverage development for multi-benefit outcomes.

To help solve the affordable housing crisis in alignment with other priorities, the State is seeking SOQs from Respondent Teams who can demonstrate the capacity, creativity and commitment needed to support the Principles and Objectives listed below.

- 1) ***Affordability:*** Maximize depth and breadth of affordability while maintaining financial feasibility.
- 2) ***Financing Innovation:*** Implement innovative financing models which reduce the necessity of scarce public resources. Examples of scarce public resources include Low Income Housing Tax Credits, tax-exempt bonds, and state/local housing loan or grant programs.
- 3) ***Timing Efficiency and Financial Feasibility:*** Strategically deliver on the timing goals of the EO by maximizing financial feasibility and accelerating delivery.
- 4) ***Accessibility:*** Provide accessible housing for all Californians by meeting or exceeding the requirements of the California Building Code and local requirements by maximizing universal design principles.
- 5) ***Sustainability and Resiliency:*** Incorporate State and/or local emphasis on sustainable construction, energy consumption and ecological resilience.
- 6) ***Construction Innovation and Cost Efficiency:*** Explore the extent to which innovative construction technology and/or other cost-saving measures can be incorporated at the State-owned property resulting in reduced total project costs, reduced construction duration, and/or improved building performance while maintaining quality of construction.
- 7) ***Outreach, Partnership, and Collaboration:*** Integrate local stakeholder,

government, and community input through a meaningful public participation process and conversation so that the envisioned development addresses local housing needs.

- 8) Utilize framework of State Sovereignty to achieve better outcomes:** Leverage the framework of State Sovereignty as further described in Exhibit 4 to maximize both the Principles and Objectives of this RFQ as well as state planning priorities regarding land use and density.
- 9) Racial Equity:** Incorporate meaningful measures into the project that will achieve measurable racial equity outcomes. Examples include but are not limited to construction-related programs, commercial tenant programming, affirmative marketing or lease-up plans, and/or general partners, which are or include Emerging Developers.
- 10) Respondent Capacity:** Demonstrate the Selected Respondent Team's capacity and experience necessary to successfully implement the envisioned plans, and to overcome possible setbacks in the development process.
- 11) Quality Architecture and Contextual Design:** Deliver a project that meets generally accepted principles of quality architectural design, and that takes nearby services, transportation, amenities, and planned improvements into consideration.

THE IDEAL RESPONSE TO THIS RFQ

The State seeks responses that:

- 1) Are clear, concise, and to-the-point. Respondent Teams are requested to avoid inclusion of extraneous marketing materials, overly detailed specifications, and other materials that increase the size of the submittal without providing meaningful additional information about the Respondent Team's qualifications for developing the State-owned property in a manner that aligns with the EO and the State's Principles and Objectives.
- 2) Articulate a clear understanding of the State's Principles and Objectives as listed above and demonstrate capacity for achieving them.
- 3) Demonstrate the Respondent Team's capabilities and prior experience in analyzing and balancing competing objectives.

EVALUATION CRITERIA AND SUBMISSION REQUIREMENTS

1) Respondent Team Introduction

a) Evaluation Criteria: NA

b) Submission Requirements:

- i) Provide an introduction to the Respondent Team. Clearly identify the Lead Respondent's form of organization (for-profit, non-profit corporation, LLC, partnership, etc.), all equity partners or participants, and any involvement in the control over the developer entity by such parties and any non-equity members. This introduction must also include the project manager and key project staff.
- ii) Provide the most recent Secretary of State Certificate of Good Standing and Statement of Information for the Lead Respondent(s) as attachments to the SOQ.
- iii) Include an organizational chart of the Respondent Team, including all entities included in the Lead Respondent's ownership structure (i.e., ground lessee/limited partnership, limited partner which can be changed at a later date, general partner, co-general partner, and managing general partner). To the extent applicable, clearly identify which entities are under the control of which companies that comprise the Respondent Team. The State reserves the right to request further documentation. If the development vision includes multiple phases, provide an entity organizational chart for each phase. The complete Respondent Team should be established as an integrated group prior to submitting the SOQ, yet a Limited Partnership or other entities do not need to have been formed prior to responding.
- iv) If the Lead Respondent is a joint venture between two or more developers, please ensure that the organizational chart in section 1(b)(ii) reflects this structure. Identify the nature of the affiliation between the proposed developer entities. Provide clarity on the roles and responsibilities between the developers and summary points on any agreements between the parties in pursuing the State-owned property.
- v) Identify the Lead Respondent principals and those authorized to execute and bind the team to an agreement. Include the name and/or title of the person who will be authorized to execute the ENA(s), LOA(s) and GLA(s) between the Lead Respondent and the State.
- vi) Identify any contractors, consultants and development partners who are a member of the Respondent Team. For the purposes of evaluation of SOQs, the following roles must be included as part of the Respondent Team (additional roles and entities may be included, but are not

necessary): architect(s), community engagement consultant(s), and civil engineer(s).

2) Demonstration of Experience

- a) Evaluation Criteria: The overall track record of the Respondent Team in planning, financing, developing, managing, and maintaining applicable development projects, including experience developing affordable and/or market-rate housing in California as applicable to the envisioned development program.
- b) Submission Requirements:
 - i) Describe the Lead Respondent's most recent (completed within the last four years) relevant **mixed-use** development projects **with characteristics similar to the State-owned property**; include the project name, location, financing sources and uses and—if competitive—award date(s) (MM/YY format), construction start date (MM/YY format), date of issuance of the certificate of occupancy (MM/YY format), unit count by AMI levels, and other relevant information. If the Lead Respondent is a joint venture or consists of more than one developer entity, the history and qualifications of each should be provided. Submissions should highlight developer qualifications that are adherent to the types of uses envisioned, state or federal funding programs, and experience in the locality or region in which the property is located.
 - ii) Regarding Submission Requirement 2(b)(i) above, if the Lead Respondent identifies as an Emerging Developer ("Emerging Developer"), the Lead Respondent may either a) describe their most recent (completed within the last four years) relevant **mixed-use** development projects with characteristics similar to the State-owned property and at least one (but no more than three) projects completed by the Lead Respondent's principal while employed by another entity, or b) describe their most recent (completed within the last four years) relevant **mixed-use** development projects with characteristics similar to the State-owned property and submit an SOQ as a joint venture with an experienced developer with more examples of recent, relevant and completed projects.
 - iii) Describe the most recent projects (completed within the last four years) of the architect, identified in response to item (1)(b)(v) above that demonstrate their experience in completing **mixed-use** projects with characteristics similar to the envisioned development of the State-owned property identified.
 - iv) Provide at least four project references for the Lead Respondent that the

State can contact. The project references should be for completed projects that are similar to the project envisioned in the SOQ. Project references should be able to confirm the Lead Respondent's claims of past success in the entitlement approval process, participation in public-private joint development partnerships, financing of affordable housing projects, community engagement, use of innovative design or modular construction, master planning, urban design, mobility, sustainability and/or continued management of developments. **Note:** at least one reference should be from a community leader who is not employed in the public sector. At least one reference should be from a City Manager, County Administrator or similar whose jurisdiction covered a referenced project.

- 3) Capacity for achieving Program Principles and Objectives
 - a) Evaluation Criteria: Respondent Team's ability to demonstrate past success in specifically implementing the Program Principles and Objectives.
 - b) Submission Requirements:
 - i) Provide examples of Respondent Team members' past success in implementing the Program Principles and Objectives listed in the eponymous section above. It is acceptable to cite the same example(s) for parts 2 and 3 of this section.
- 4) Equity and Community Outreach
 - a) Evaluation Criteria: Respondent Team's detailed approach to achieve the Principles and Objectives listed below, given their criticality to the overall success in developing the State-owned property.
 - b) Submission Requirements:
 - i) Describe the Respondent Team's approach to achieve the Principle and Objective of Community Outreach, Partnership and Collaboration for development of the State-owned property. As part of the submission, more qualified responses will identify examples of inclusive strategies that the Lead Respondent and Respondent Team members have successfully employed on previous projects to engage community members and key stakeholders. More qualified responses will also successfully describe the outcomes of these strategies and how public input was collected, incorporated, and addressed during all phases of development.
 - ii) Provide at least one example of a previous community engagement plan or strategy for a **mixed-use** housing development project with characteristics similar to the State-owned property and prepared by

- either a) the Lead Respondent, b) a community engagement specialist who is a member of the Respondent Team, or c) other members of the Respondent Team responsible for this activity. More qualified responses will successfully describe the outcomes of that plan or strategy and its applicability to the State-owned property.
- iii) Describe the Respondent Team's approach to achieve the Principle and Objective of Racial Equity in development of the State-owned property. More qualified responses will successfully detail the near- and long-term strategies the Respondent Team would implement to achieve measurable outcomes fostering inclusive communities and achieving racial equity, providing fair housing choice, and creating opportunities for all Californians.
 - iv) Provide at least one example of a completed affordable housing development executed by the Lead Respondent that demonstrates the capacity to achieve the Principle and Objective of Racial Equity. Submissions may include, but are not limited to, any of the following: MBE/WBE/DBE hiring outcomes, anti-displacement strategies, affirmative marketing or lease up plans, and/or general partners, which are or include Emerging Developers.
- 5) Demonstration of Financial Capacity
- a) Evaluation Criteria: The financial capacity of the Lead Respondent to complete and manage the property including demonstrated abilities in financial innovation, adaptability, and command of emerging opportunities.
 - b) Submission Requirements:
 - i) Provide a statement describing the Lead Respondent's experience and track record in securing funding for affordable housing developments with characteristics similar to the envisioned development of the State-owned property.
 - (1) If the development vision includes pursuing or implementing an innovative, nontraditional, or otherwise less common financial execution, discuss the Lead Respondent's experience and qualifications for executing this path. More qualified responses will successfully discuss the outcomes of this execution, the impacts to the community and residents, why the Lead Respondent is advocating for the proposed path, any lessons learned from the innovative financing method, and references the State can contact to learn more. **Note:** if the Lead Respondent does not have experience innovative, nontraditional, or less common financial methods, but would like to present such an approach, the Lead Respondent may

present a case study. The case study should include examples of one or more projects where the innovative method was successfully executed, a detailed description of why the financial method was successful in the case presented, an explanation of how the method functions and key decision points, a detailed description of the Lead Respondent and Respondent Team's capacity to execute the financial method successfully, why the Respondent Team is advocating for this approach (despite the lack of experience), and references the State can contact to learn more. Examples of financial innovation include, but are not limited to, Essential Function Bonds, 9%/4% hybrids, and any and all financing structures which reduce reliance on scarce public funding while providing a depth and breadth of affordability.

6) Development Vision

a) Evaluation Criteria: The development program and the Respondent Team's ability to meet the applicable Principles and Objectives as described in this RFQ.

b) Submission Requirements:

i) Complete the Development Data Reporting Template (Exhibit 9) and include it with your response in the DGS SharePoint file folder. The Development Data Reporting Template establishes a standard format to collect pertinent information for anticipating projects and projects under development pursuant to Executive Order N-06-19.

ii) Provide a narrative description of the envisioned development program the Respondent Team envisions for the State-owned property. More qualified responses shall detail uses for the property and will describe how the development program is consistent with and supports applicable Program Principles and Objectives (i.e., number of lower-income, moderate-income, or market-rate housing units, square feet of commercial space, square feet of open space, etc.).

(1) **Critical note:** responses that fail to clearly address the following items shall result in the submission being considered a poor or incomplete responses for the purposes of scoring:

(a) A site plan showing the required number of surface parking spaces, the DMV Field Office, and the housing units.

(b) Conceptual ingress/egress paths for residents and for public visitors of the DMV.

(c) A narrative describing how the constructed housing will preclude unauthorized access to the DMV Field Office.

- (d) A narrative describing how the constructed housing will not interfere with the operations of the DMV, including but not limited to, use of separate or redundant building systems, damage caused by residents, and future tenant improvements, repairs, and/or renovations to the housing.
 - (e) Demonstrate or describe how there will be a separation of parking for the DMV from any residential parking.
 - iii) Provide a development schedule in an exhibit to your submission which shows your expectations under the plan you describe per the item immediately above. This schedule may be in any format (Word, Excel, Project, etc.), yet must include all milestones commencing with execution of the LOA and including entitlement, design benchmarks, financing applications and awards, construction loans, building permits, ground-breaking, certificate of occupancy and perm loan conversion. Assume July 1, 2024 for the execution of ENA, and if proposing the use of Low-Income Housing Tax Credits, further assume that the 2024 calendar and/or 2025 CTCAC calendar(s) mimics the 2023 CTCAC calendar.
 - iv) As a supplement to 6(b)(iii), submit a description of:
 - (1) When, in the envisioned project's construction schedule the DMV would be completed and open to the public.
 - (2) How, to the extent that the envisioned project's construction schedule shows a completed/operational DMV prior to the completion of some or all of the housing units, the construction phasing for the housing would not interfere with DMV operations, nor pose a safety risk to the public visiting the field office.
 - v) **Note:** simple renderings or sketches that demonstrate the architectural character, building densities, massing, relationship to the surrounding area context, and amenities of the envisioned development are preferred, but are not necessary and will not be scored. If provided, such renderings or sketches will be used solely to help the State understand the envisioned development.

7) Financial Feasibility

- a) Evaluation Criteria: Provide a financing plan that demonstrates the capacity of the Lead Respondent to successfully underwrite and execute the development vision and the extent to which the financing plan achieves the applicable Principles and Objectives.
- b) Submission Requirements:
 - i) Prepare a conceptual financial model for the project envisioned in Section 6 above that complies with GC 14671.2. The most qualified

models will consist of a 15-year operating proforma and include construction and permanent sources and uses and developer fee/overhead. If the development vision includes moderate-income and/or market-rate component, the most qualified responses will include separate conceptual proformas for those projects that also identify, if applicable, the value of any cross-subsidization to low-income units. The State recognizes that the proforma(s) submitted for review are conceptual in nature and are subject to change.

(1) **Critical note:** responses that fail to clearly address the following items shall result in the submission being considered a poor or incomplete responses for the purposes of scoring:

(a) Whether the envisioned project would include State ownership of the Field Office and surface parking.

(i) If ownership is intended, indicate the period in which said ownership would vest, under what terms/conditions, how ownership would impact the ground lease, and how maintenance and operations (if the housing and field office are integrated) would work.

(ii) If ownership is not intended, and if the DMV would be a long-term tenant in the facility, indicate the minimum required lease term and the rental rate structure that would account for the value of the land, the cost of the DMV improvements, and maintenance/operations.

1. **Note:** at no point shall the rental rate paid by the DMV be utilized to subsidize the housing development.

(b) An estimate of cost to construct the Field Office and surface parking in accordance with the Criteria (this is to help the State understand that you have read and comprehend the requirements for the DMV).

(c) The envisioned financing approach for delivering the DMV improvements.

8) Additional Requirements and Representations

a) Evaluation Criteria: NA

b) Submission Requirements:

i) In their SOQs, Lead Respondents must include an exhibit which identifies all of the following, as applicable: any defaults, judgments, court orders, pending litigation, contractual disputes, violation notices, or other matters reflecting a violation of applicable regulations related to the operations or projects undertaken by the Developer entity or any of its

individual members or affiliates exercising direct or indirect control over the development entity, including all key persons on the Respondent Team. **Note:** please only include any of the foregoing that have occurred within five years of the issuance of this RFQ.

- ii) Provide detail for any assessed and/or outstanding HCD, CDLAC and/or CTCAC Negative Points and/or outstanding HCD compliance issues.
- iii) Provide a signed copy of the Attestation found in Exhibit 11.

EXHIBIT LIST

- EXHIBIT 1. EO N-06-19
- EXHIBIT 2. Government Code Sections 14671.2 and 14664
- EXHIBIT 3. Site Information and Maps
- EXHIBIT 4. State Sovereignty and Entitlements Under EO N-06-19
- EXHIBIT 5. Frequently Asked Questions
- EXHIBIT 6. Additional Relevant Documents and Resources
- EXHIBIT 7. Definitions
- EXHIBIT 8. RFQ Scoring Criteria
- EXHIBIT 9. Development Data Collection Template
- EXHIBIT 10. Local Housing & Planning Documents and Resources
- EXHIBIT 11. Attestation
- EXHIBIT 12. DMV Performance Criteria

EXHIBIT 1 - EO N-06-19

Linked here:

<https://www.dgs.ca.gov/-/media/Divisions/RESO/Images/Projects/Executive-Order-N-06-19/Executive-Order-N-06-19-v2C.pdf?la=en&hash=700D7E6C8EB702CE5BE6586B90E54EDA913A0E4F>

For further information please visit:

<https://www.dgs.ca.gov/RESO/Projects/Page-Content/Projects-List-Folder/Executive-Order-N-06-19-Affordable-Housing-Development>

EXHIBIT 2 – GOVERNMENT CODE

SECTION 14671.2

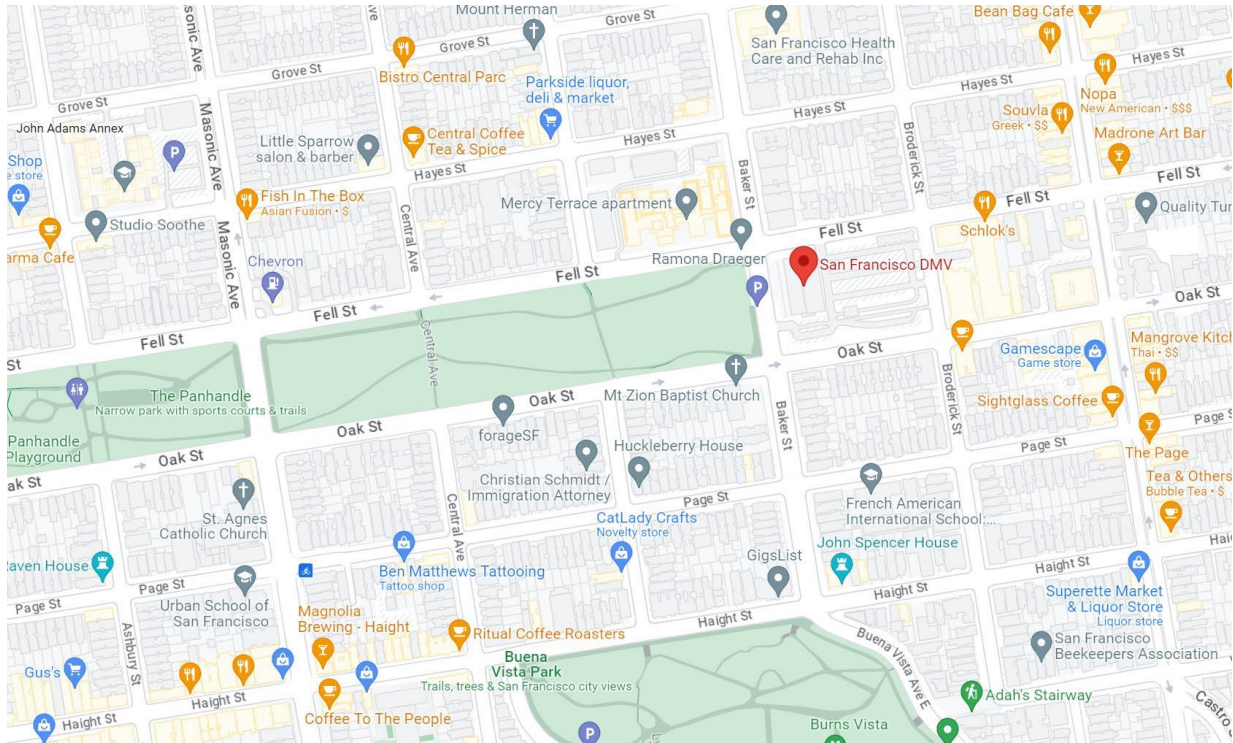
https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV§ionNum=14671.2

SECTION 14664

https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV§ionNum=14664.

Site: San Francisco, CA Department of Motor Vehicles
Address: 1377 Fell Street, San Francisco, CA 94117





The documents listed below may be downloaded via the following link:

<https://dgscloud.box.com/s/f49ud4cqfpdnoczm40dkcde6iwaxjxxm>

- Vesting Deed
- Preliminary Title Report
- Phase I Environmental Site Assessment (ESA)
- Phase II Environmental Site Assessment (ESA)

EXHIBIT 4 – STATE SOVEREIGNTY AND ENTITLEMENTS UNDER E.O. N-06-19

Introduction of Exhibit Topics

- State Sovereignty
- Comparison Table
- Additional Information

State Sovereignty

This discussion is offered as a practitioner's understanding of preemption of local land use authority under State Sovereignty and how exercising State Sovereignty can be beneficial for delivering affordable housing by developers on land provided by the State subject to a long-term GLA. The concept of sovereignty suggests a hierarchy of governmental authority that has the federal government at its apex, then moves downward to State government, and follows to local jurisdictions, such as cities and counties. While land use regulation in California historically has been a function of local government under the grant of police power contained in Article XI, Section 7 of the California Constitution, a State agency is immune from local regulation unless the Legislature expressly waives immunity in a statute or the California Constitution.

Identifying and adapting a State Sovereignty framework early in the project delivery process under the authority of E.O. N-06-19 is helpful to the overall success of the project because it affects many aspects of entitlement. As an overview:

- Land Use: for purposes under E.O. N-06-19, the project is not subject to local zoning or the Subdivision Map Act when developing a property for State use. Under the auspices of DMV, which has control and possession of the land that will be subject to the long-term GLA, the development of affordable housing does not have to conform to existing local zoning.
- Per Executive Order N-06-19: "local zoning ordinances do not govern the use of State property, and the State possesses legal authority to enter into low-cost, long-term leasing agreements with housing developers and accelerate housing development on state-owned land as a public use."
- Project design: use of State Sovereignty can facilitate greater density.
- Streamline Processing: SB35 is not currently available for State use; DGS is typically lead CEQA agency.
- Construction: the State itself provides certain approvals (see Permitting under Comparison Table below) yet leverages local resources.

Respondents are encouraged to:

- Think creatively regarding how the framework of State Sovereignty can be adapted to further the Program Principles and Objectives.
- Be mindful that:
 - Local jurisdiction cooperation will be needed for utility access, site ingress/egress, and other matters.
 - Integrating local input remains a priority as noted in the Program Principles & Objectives.

Comparison Table

<u>Category</u>	<u>Item</u>	<u>No State Sovereignty (typical path)</u>	<u>Use of State Sovereignty</u>
Land-Use	Zoning	City/County determines	State determines
	City/County Planning Dept Approvals	Required in most cases	State's discretion
	SB35	Can be used in some cases	Not currently available or applicable
	Project-level CEQA Approval	Local jurisdiction is lead agency	DGS is lead agency; see below
	Regional Housing Needs Assessment	Units produced apply to local jurisdiction RHNA goals	Units produced apply to local jurisdiction RHNA goals; see below
Permitting	Plan Review	Local jurisdiction	DGS lead, but can partner with locals
	Building Permit	Local jurisdiction	DGS
	Temp. Cert. of Occupancy	Local jurisdiction	DGS
	Certificate of Occupancy	Local jurisdiction	DGS
Plan Review, Inspections and Approvals	Fire and Life Safety	Local Authority	DGS primary, unless delegated; Local Authority for emergency responses/access
	Structural	Local Authority	DGS primary

	Accessibility	Local Authority	DGS primary
Inspection Fees		Determined by local jurisdiction.	For pro forma purposes, assume the same cost as local jurisdiction; DGS fees are dependent upon project duration, staffing requirements and special conditions
Utility Connections	Water	Coordinate with local agencies	Same
	Sewer/Stormwater	Coordinate with local agencies	Same
	Electric	Coordinate with local agencies	Same
Environmental Approvals	Air Quality	Local Air Quality Management District	Same
Emergency Services	Fire	Coordinate with local agencies.	Local Agencies to approve Emergency Services
Taxation	For Affordable Housing	Welfare exemption often sought and obtained, which eliminates or reduces property taxes.	Possessory interest taxes may apply

Additional Information

CEQA and Planning

- The Initial Study will address all the issues identified in the Environmental Checklist, pursuant to Appendix G of the CEQA Guidelines. The majority of Appendix G topics (e.g., aesthetics, biological resources, cultural resources, hazards and hazardous materials, etc.) will be addressed qualitatively, while other topics (e.g., air quality and GHG emissions, noise, transportation, etc.) will be addressed quantitatively using technical studies prepared by the developer.
- Developers should consider if the envisioned housing use will generally be in conformity with the local jurisdiction's General Plan; per the Housing Accountability Act: "a proposed housing development project is not inconsistent with the applicable zoning standards and criteria, and shall not require a rezoning, if the housing development project is consistent with the objective general plan standards and criteria but the zoning for the project site is inconsistent with the general plan" (Gov. Code, Section 65589.5(j)(4)).

Regional Housing Needs Assessment (RHNA)

- Although the site is located on State-owned land, completed projects may be counted toward the presiding local jurisdiction's RHNA allocation.
- For this to occur, the local jurisdiction must ensure that local land use regulations and zoning conform to the completed State project. This does not need to occur prior to project completion but does need to occur during the RHNA cycle in which the project is completed.

Plan Review

- Permitting is the responsibility of the State and may not be fully delegated to a local government. However, in certain jurisdictions, a plan review process can be developed on a case-by-case basis such that the code compliance reviews are conducted by the local jurisdiction and the final permit issued by the State. The configuration of the DMV facility in relationship to the housing will determine how DGS will approach the site plan review, intake of plans, inspections, etc.
- With regards to modular construction specifically, HCD's Factory Built Housing Division will likely approve and inspect all "mods" before they leave the factory. Another inspector would be needed for on-site installation and other work. More info here: [HCD Factory-Built Housing \(ca.gov\)](https://www.hcd.ca.gov/factory-built-housing).

EXHIBIT 5 – FREQUENTLY ASKED QUESTIONS REGARDING SITES UNDER THE N-06-19 PROGRAM

Note: these are questions written and submitted by Respondents to earlier solicitations, with answers provided by the State. These are included here for reference. Some questions and answers may not apply in the case of this solicitation.

- 1) Will there be an opportunity to visit the site(s) prior to the deadline?
For the purposes of initial submissions to this RFQ, Respondents are welcome to independently assess the site(s) from publicly accessible vantage points (including the building lobby). No right of entry to subject properties is either given or implied through this solicitation, nor will there be guided site visits prior to the RFQ deadline as the building is an in-use state building. However, a guided tour, prior to interviews, may be provided to shortlisted entities.
- 2) Are we allowed to submit multiple responses to the RFQ?
No, please only provide one response to the RFQ.
- 3) Will the site(s) be delivered with utilities stubbed to site permit ready?
Sites will be delivered as is. Conditions will vary from site-to-site.
- 4) What off-sites will need to be done at whose cost?
Encroachment permits onto city/county streets and utility connections are the responsibility of the Lead Respondent. Conditions will vary from site-to-site.
- 5) Will there be a process to streamline permitting with one or just a few points of contact?
There will be an assigned DGS staff person for each site who will be the single point of contact for all matters relating to DGS for all stages of development.
- 6) Are prevailing wages required?
The project must comply with prevailing wage requirements to the extent applicable under California law.
- 7) Will parking requirements be eased depending on the population?
The State has no predetermined parking requirements for housing on State owned sites. See DMV specifications for DMV requirements.
- 8) Does every unit have to ADA compliant or just a percentage?
Minimum accessibility requirements are established by the California Building Code. The Excess Sites program seeks to maximize access in balance with other objectives.
- 9) Is any of this contingent on services being provided?
It is expected that on-site resident services are provided to the levels customary and/or required for low-income housing.

10) Do we have responsibility for qualifying Residents for Section 8 or Veterans voucher or similar?

It will be the developer's responsibility to a) obtain the Section 8 vouchers they deem necessary for the project, and b) work with all necessary parties to comply with requirements of all funding sources including Section 8 if applicable.

11) Who at the state will be responsible for handling all the entitlement work under the State Sovereignty act?

The Department of General Services will represent the State with regards to project approvals. The City/County is responsible for issuing encroachment permits onto City/County streets.

12) What is the maximum density allowed by the state?

The state does not have a maximum density limit. However, respondents are encouraged to review the program Principles and Objectives when determining density and consider local context.

13) What is the estimated closing date for the (sites)? Is the ability to close quickly attractive to the state?

There is no estimated closing date; however, as per Principle and Objective #3, timing efficiency is important.

14) Is there a security deposit required to be made for each site?

No.

15) Are there any existing ALTA Surveys that can be provided?

Generally, no. However, if ALTA surveys have been completed, they will be made available as part of the solicitation.

16) Do any of the sites have disadvantaged business enterprise requirements?

Not explicitly through this solicitation.

17) Will any of these sites have to be utilized for interim or permanent supportive housing?

Interim supportive housing is not currently contemplated for these sites. Permanent supportive housing is not a requirement; however, respondents are encouraged to review Principle & Objective #1 as well as the government code in Exhibit 2 regarding housing affordability.

18) Does a Respondent team made up of more than one developer need to form a legal entity prior to submitting a response to this solicitation?

No.

19) Is an MOU or other formal documentation of the partnership required?

No.

20) Can the RFQ submittal reference a section of the previously submitted SOQ rather than restate the answer?

No, to expedite Proposal review, please copy-and-paste from any applicable prior responses into your SOQ for this solicitation as appropriate or necessary. We will not be referring back to any prior submissions.

21) Does the State have a preferred format or template for the working electronic copy of the financial model? If not, are there specific pro forma sheets that proposers should include (i.e. Unit Mix, Development Budget, ##-Year Cash Flow, etc.)?

Please reference instructions for the financial model in the solicitation. Please include the pro forma sheets you feel would facilitate our understanding of your Proposal; we will request further data if needed.

22) Who is on the evaluation panel?

The evaluation panel is to-be-determined. However, the Respondent selection will be made by representatives of the State.

23) Is DGS the AHJ for the project's demolition, shoring, and/or grading permits?

Yes.

24) If a project proposes to use Modular construction (which typically requires permitting by the Department of Housing and Community Development), would DGS still be the AHJ for the building permit or would HCD be permitting the entire structure including the non-modular portions?

DGS will be issuing the building permit in this case as well.

25) Will the project require plan review submittals or approvals from the State Fire Marshal?

Buildings owned or occupied by the State are subject to DGS and State Fire Marshal permitting/inspections. Depending upon the site plan envisioned, the housing may also be subject to the State Fire Marshal.

26) Is there a specific sustainability program or benchmark this project is seeking?

With respect to the housing, no. However, the DMV facility must be constructed to at least LEED Silver and may be required to achieve Zero Net Energy, at the discretion of the State.

27) What assumptions should be made regarding property taxes, can we assume an exemption for units at and above 80% AMI?

Units at or below 80% AMI are eligible for the welfare tax exemption.

28) In proposals that have 2+ development partners what backup must be provided to evidence the respondent team is 'established as an integrated group prior to submitting the Proposal'?

None, but the organizational chart required should show the relationship between partners.

EXHIBIT 6 – ADDITIONAL RELEVANT DOCUMENTS AND RESOURCES

The documents listed below may be downloaded via the following link:

<https://dgscloud.box.com/s/nls9xl4u6990k95fibs58w63thq198td>

- 1) Ground Lease Agreement – Template
- 2) Regulatory Agreement – Template
- 3) Lease Option Agreement – Template
- 4) Right of Entry Agreement – Template
- 5) Assignment of Lease Option Agreement – Template

Note: these documents are subject to change.

EXHIBIT 7 – DEFINITIONS

- (a) "Emerging Developer" is defined as ascribed to the Uniform Multifamily Regulations (Chapter 7, Subchapter 19, Section 8301) as it is currently written: an Emerging Developer means an entity, including a Tribal Entity, that has developed, owned, or operated at least one (1) but not more than four (4) Rental Housing Developments that are equivalent to the proposed Rental Housing Development in size, scale, level of amenities, and occupancy. The State may determine experience by evaluating the experience of the entity itself or the experience of senior staff within the organization. If the experience requirement is satisfied by one or more of the Emerging Developer's senior staff members, then the Standard Agreement and the loan documents shall include a Sponsor obligation to provide the Department with immediate written notice in the event of such member's or members' departure from or termination by the entity.
- (b) "Executive Order N-06-19" or "EO" means the Executive Order N-06-19 signed by Governor Gavin Newsom on January 15, 2019, to address California's housing affordability crisis.
- (c) "Ground Lease Agreement" or "GLA" means a legal agreement between the State and the Selected Respondent to accelerate affordable housing development on State-owned land for public benefit.
- (d) "Lead Respondent" means the developer entity responsible for the SOQ and other responsibilities associated to the submission of the SOQ.
- (e) "Regulatory Agreement" or "RA" means a legal agreement between the State and Selected Respondent that establishes the terms and conditions that will apply to the property during the term of the agreement.
- (f) "Respondent Team" means the entire development team that is included in the response to the RFQ. This includes but is not limited to the developer(s), general contractors, civil engineers, legal counsel, consultant(s), lenders, equity investors, supportive service providers, and landscape architect(s) and or/ urban designer(s).
- (g) "Respondent(s)" means a member (or members) of a Respondent Team.
- (h) "RFQ" means a Request for Qualifications
- (i) "Selected Respondent" means a developer entity selected in accordance with the Principles and Objectives described in this RFQ to enter into an ENA or LOA to create affordable housing on State-owned or excess State-owned property.
- (j) "State" refers to DGS, DMV, and HCD as a collective partnership or individual entity.
- (k) "SOQ" means Statement of Qualifications.

EXHIBIT 8 – RFQ SCORING CRITERIA

EVALUATION CRITERIA AND SCORESHEET						
Solicitation #:						
Date Reviewed:						
Respondent:						
Demonstration of Experience						
	2	Evaluation Concept				
		The overall track record of the Respondent Team in planning, financing, developing, managing, and maintaining relevant development projects, including experience developing affordable and/or market-rate housing in California as applicable to the envisioned development program.				
		Submission Requirement	Basis for Scoring	Max Pts	Score	Comments
	a	Lead Respondent's Recent Experience	Recent, successful projects that are of a similar size, scope, and scale of the project as envisioned should receive higher scores. Projects that are completed should receive higher scores than projects in progress. Responses that explain positive outcomes post-construction should also be awarded higher scores.	60		
	b	Respondent Team's Recent Experience	Recent, successful projects that are of a similar size, scope, and scale of the project as envisioned should receive higher scores. Projects that are completed should receive higher scores than projects in progress. Responses that explain positive outcomes post-construction should also be awarded higher scores.	40		
	c	Project References		40		

			For the purposes of shortlisting, references are not scored (the shortlist is determined assuming that all Respondent Teams score zero). For shortlisted entities, scoring is based upon feedback from references. References from relevant, knowledgeable sources that favorably describe the Respondent Team's ability to plan, finance, develop, manage, and maintain housing projects as described in the Project Vision should receive higher scores.			
	d	Portfolio of Completed Projects	As this submission requirement is portfolio-specific, non-analogous projects will be included. Respondents with larger, more robust portfolios of completed projects, particularly those that align with the PP&Os, should be awarded higher scores. This evaluation criterion is seeking to ensure that the Respondent Team has substantial development experience.	60		
	Section Total			200		
Capacity for Achieving Program Principles and Objectives						
	3	Evaluation Concept				
	Respondent Team's ability to demonstrate past success in specifically implementing the Program Principles and Objectives.					
	Submission Requirement		Basis for Scoring	Max Pts	Score	Comments
	a	Examples of Successes re: Program Principles and Objectives	Scoring is based upon each of the Project Principles and Objectives (PP&O). Responses that should be awarded higher points are those that: a) address each PP&O, b) clearly articulate a demonstrable, meaningful example of successfully meeting those objectives, and c) ensure that examples provided are analogous to the project vision for the excess site.	175		
Equity and Community Outreach						

	4	Evaluation Concept				
		Respondent Team’s detailed approach to achieve the Principles and Objectives listed below, given their criticality to the overall success in developing the excess State-owned property.				
		Submission Requirement	Basis for Scoring	Max Pts	Score	Comments
	a	Approach to Community Outreach, Partnership, and Collaboration	Higher scored responses would be those that a) identify meaningful examples of inclusive strategies employed on previous projects to engage community members and key stakeholders, b) demonstrate that those strategies were successfully implemented, including listing outcomes, and c) describe how public/stakeholder input re: those projects were collected, incorporated, and addressed.	15		
	b	Example of a Prior Community Engagement Plan/Strategy	The difference between 3.a and 3.b is that the 3.a is the narrative describing the firm's general approach and outcomes . 3.b is focused on specifics example(s) of community engagement plans/strategies for projects that are analogous to the excess site. Higher scored responses will demonstrate that the plan/strategy was successful and provide the specific outcomes.	20		
	c	Approach to Racial Equity	Higher scored responses should detail the near- and long-term strategies the Respondent Team would implement and the measurable outcomes the team would hope to achieve. The goals of the strategies should aim at a) fostering inclusive communities, b) achieving racial equity, c) providing fair housing choice, and d) creating opportunities for all Californians. Responses that aim at only some of those should be deducted points.	20		
	d	Completed Project Showing Capacity to Achieve Racial Equity P&O	This criterion is specific to the Racial Equity category in the PP&O. The example must be of a completed project, and the scoring will be based upon the robustness of the strategies employed. Points should also be awarded for those responses that evidences the outcomes of said strategies (note: outcomes may be derived from 3.b if the examples overlap).	20		

	Section Total			75		
Demonstration of Financial Capacity						
	5	Evaluation Concept				
	The financial capacity of the Lead Respondent to complete and manage the property including demonstrated abilities in financial innovation, adaptability, and command of emerging opportunities.					
	Submission Requirement		Basis for Scoring	Max Pts	Score	Comments
	a	Experience/Track Record in Securing Affordable Funding	Higher scored responses are those that demonstrate a successful track record of securing financing and applying/being granted subsidy/tax credit allocations for projects/approaches analogous to the excess site (the more analogous the proposed project financials and prior projects to the excess site and proposed project financials, the higher the points). Responses that detail the successful execution of a proposed financing stack (rather than needing to multiply subsidies due to a failure to be awarded) should also be granted additional points. In the event that an innovating, nontraditional, or less common financial approach is pursued, please see the RFQ's Evaluation Criteria and Submission Requirements section, where criteria for more qualified responses (and thus, higher scored responses) is listed.	125		
	b	Most Recent Financial Statements	Scoring for the financial statements shall be based upon the degree of financial stability, ability to support the project in pre-development, and support the operating costs of the project post-completion. Evidence of being over leveraged or unable to advance the project due to cashflow issues should result in fewer points.	25		

	Section Total			150		
Development Vision						
	6	Evaluation Concept				
	The Respondent Team’s program and proposed vision for the project site, as that program/vision compares to the Principles and Objectives as described in this RFQ.					
	Submission Requirement		Basis for Scoring	Max Pts	Score	Comments
	a	Narrative Describing Development Vision	<p>The submitted vision shall be evaluated in light of the PP&O. Response that show meaningful alignment with all of the categories of the PP&O, and thus the state's priorities, shall be awarded more points over responses that align with few categories, or align less fully with them all. In evaluating this section, the evaluation team should also consider the background, skillsets, and capacity of the Respondent Team (individuals and firms) as it relates to their ability to achieve the proposed vision. Note: in the event that other portions of a Respondent Team's submission does not accord with their vision (ex: the envisioned financing strategy is not conducive to the proposed AMI targets), points should be not be deducted in this category, and should be deducted in the applicable category (in the example given, in 6.a).</p> <p>The submitted vision shall also be evaluated in light of the Department of Motor Vehicle Requirements located in the Development Intentions section of the RFQ.</p>	200		
Financial Feasibility						
	7	Evaluation Concept				

		Provide a financing plan that demonstrates the capacity of the Lead Respondent to successfully underwrite and execute the development vision and the extent to which the financing plan achieves the applicable Principles and Objectives.					
	Submission Requirement		Basis for Scoring		Max Pts	Score	Comments
	a	Conceptual Financial Model(s) for the Project	The evaluation will consider the validity/reliability of the financial model, the relevance of the model to the proposed vision, and the comprehensiveness of the model. Higher scores shall be awarded to robust, proformas of reasonable length (15 years), that demonstrate compliance with GC 14671.2, include delineation of both construction and permanent sources/uses, note the developer's fee/overhead, and (if applicable) the cross-subsidization of moderate or market rate units (or commercial uses) of affordable units. Note: responses to Evaluation Criteria and Submission Requirements, Section 8, Additional Requirements and Representations reflects violations, deficiencies, negative points, those disclosures (unless sufficiently justified) can be considered in the deduction of points.		200		
	GRAND TOTALS				Total Pts	Total Score	Comments
			Total points possible if financial statements are requested		1000	0	
			Total points possible if financial statements are NOT requested		975		

EXHIBIT 9 – DEVELOPMENT DATA COLLECTION TEMPLATE

The documents listed below may be downloaded via the following link:

<https://dgscloud.box.com/s/uwg7ltckr1ghot5vmt1akzek9vmt4ahe>

Note: this file is subject to change.

(The remainder of this page is intentionally blank).

EXHIBIT 10 – LOCAL HOUSING & PLANNING DOCUMENTS AND RESOURCES

- A. San Francisco “Expanding Housing Choice” Program Page
URL: <https://sfplanning.org/project/expanding-housing-choice>
- B. San Francisco Executive Directive 23-01 – “Housing For All”
URL: https://sf.gov/sites/default/files/2023-02/Executive%20Directive%2023-01_Housing%20for%20All.pdf
- C. San Francisco 6th Cycle Housing Element Webpage
URL: <https://sfplanning.org/project/housing-element-update-2022>
- D. San Francisco Mayor’s Office of Housing and Community Development Draft 2023-2024 Action Plan
URL: [Draft 2022-23 Action Plan for Public Review and Comment 3-28-2022.docx.pdf \(sf.gov\)](#)
- E. San Francisco Residential Design Guidelines (2003)
URL: https://default.sfplanning.org/publications_reports/residential_design_guidelines.pdf

EXHIBIT 11 – ATTESTATION

Respondents are required to provide an attestation.

Use the form of attestation included in this exhibit to provide a letter on the Respondent's letterhead. The letter is to be signed by the individual(s) identified in Section 1(b)(iv) of the Evaluation Criteria and Submission Requirements section of this RFQ.

[FORM OF]

E0 N-06-19 RFQ No. 2-23

Attestation

- 1) If selected, our organization(s) shall adopt a written non-discrimination housing policy requiring that no person shall, on the grounds of race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, disability, age, medical condition, genetic information, citizenship, primary language, immigration status (except where explicitly prohibited by federal law), arbitrary characteristics, and all other classes of individuals protected from discrimination under federal or state fair housing laws, individuals perceived to be a member of any of the preceding classes, or any individual or person associated with any of the preceding classes be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with program funds made available to the Site. Our organization(s) shall comply with the requirements contained in the Americans with Disabilities Act, the Fair Housing Amendments Act, the California Fair Employment and Housing Act, the Unruh Act, Government Code Section 11135, Section 504 of the Rehabilitation Act, and regulations promulgated pursuant to those statutes, including 24 C.F.R. Part 100, 24 C.F.R. Part 8, and 28 C.F.R. Part 35, in all of the Respondent's activities.
- 2) None of the items listed in response to Section 8 of the Evaluation Criteria and Submission Requirements of this RFQ will in any way impede their ability to execute upon the business plan inherent with the SOQ.
- 3) The information provided in this SOQ is complete. I/we acknowledge that the omission of information that the State deems material (determined in its sole discretion) will result in the SOQ being deemed non-responsive. The State will determine, in the State's sole discretion, whether to further review or evaluate SOQs that it deems non-responsive.
- 4) I have read and understand the requirements and responsibilities of the Selected Respondent explained herein, including the terms presented in the template documents included in the exhibits to this RFQ.

[Signature of
individual(s)
identified in Section 1(b)(iv)]

EXHIBIT 12 – DMV PERFORMANCE CRITERIA

DMV Performance Criteria may be downloaded via the following link:

<https://dgscloud.box.com/s/x8j3l4955tpv2j5vrpej71salm7wsr4v>

Note: these documents are subject to change.